

**Work Session
February 18, 2003**

The Montgomery County Board of Commissioners met in a work session on Tuesday, February 18, 2003 in the Montgomery County Commissioners' Conference Room at 4:00 p.m. All board members were present. Chairman Maness called the meeting to order and the following was heard:

Introductions

Chairman Maness turned the meeting over to County Manager Lee Matthews. Mr. Matthews welcomed Laura Morton back from maternity leave and introduced new members of the finance office staff: Cathy Baxter, Finance Officer; Deva Swinson, Accounts Payable; and LeAnne Kinley, Receptionist.

Mr. Matthews turned the meeting back over to Chairman Maness.

Presentation of the FY 2000 Audit Report

Mr. Larry Clay and Mr. Bob Nelson from Dixon Odom were present to present the FY 2002 Audit Report. Mr. Clay said the audit is an unqualified or "clean opinion" and materially correct. Commissioner Corbett asked about comparing the County's Debt with other counties of similar size. The auditor's suggested contacting the Local Government Commission or the Institute of Government for statistical information. The auditors recommended escalating the repayment to the General Fund from the Water Fund (approximately \$1.2 million to help the general fund balance).

Mr. Bob Nelson discussed the difficulty of having to comply with GASB 34. This conversion has to be done June 30, 2003. Mr. Matthews recommended to the Board that because of GASB 34 and having a new finance officer that the county contracts with Dixon Odom for one more year before seeking RFPs for auditing services.

Jail Planning Project Update

Sheriff Jeff Jordan was present at the work session to give the board an update on the jail planning project. Freeman White did a study on building a 90-bed jail three years ago and the cost was estimated at \$4.7 million plus costs such as equipment and furnishings. Sheriff Jordan asked Steve Allen a consultant with Freeman White for an update on how much the same project would cost today. Sheriff Jordan reported that current construction costs would be \$6.5 million with the recommended 20% to 25% for equipment and furnishing, etc. Sheriff Jordan also said that three years ago Becky Wallace worked in the U.S. Marshall's office and there was a good chance the federal government might come up with funds for the jail if the Sheriff would allow bed space for federal prisoners. The Sheriff said Mr. Allen did not elaborate on prefab jails.

County Manager Lee Matthews said a USDA grant/loan is an option. He said, representatives from USDA said they could provide up to \$1 million at 4.6% for 40 years. Mr. Matthews said this is a similar loan that is being used to construct the new town hall in Troy.

The board discussed scaling back the jail. The Sheriff informed the board that he is already housing 60-65 on the weekends.

Commissioner Corbett said we need a new jail and also said we need to look into prefab construction.

Commissioner Bostic said he brought information back from Washington, D.C. on prefab jails. He said prefab construction would be cheaper for the county.

Chairman Maness said we went and looked at a prefab jail in Robeson County. Commissioner Bostic said prefab construction comes with plumbing and electrical.

Mr. Matthews said the board may need to look at the cost of land as well. Commissioner Morris asked the Sheriff if he was opposed to the jail being at the Ag Center. The Sheriff said he isn't opposed to the jail being at the Ag Center and he also said he is not opposed to a prefab jail.

Commissioner Morris said she agrees with Commissioner Corbett that the board needs to move ahead with this jail project.

The board directed the county manager to get more information on prefabricated construction and other 40-year financing options.

Health Department Report

Kathleen DeVore Jones was present to present the following Health Department report:

Cigarette Tax Resolution

Mrs. Jones informed the board that the Board of Health adopted a resolution urging the State to increase the cigarette tax to the national average of \$0.45. The Board of Health is requesting the Board of Commissioners to adopt a similar resolution.

Mrs. Brenda Caudill a Health Educator with the Health Department gave a slide presentation with information regarding tobacco and compared our state cigarette tax with other states. She also said the revenue for this increased tax would go toward the state's budget deficit and programs to reduce tobacco use by our children.

Board of Health member Terri Stamper was present and said the adoption of the resolution was not a unanimous vote. Public health is our goal as a Board of Health. She said there is not doubt it would be good for the state and the county.

Chairman Maness asked if this included chewing tobacco? Mrs. Jones said she wasn't sure.

Commissioner Bostic asked what the vote was? Mrs. Jones said 5-2.

Commissioner Morris said she was opposed to the resolution because we have local tobacco farmers and people will continue to smoke regardless of the tax.

Commissioner Corbett agreed.

Commissioner Knight voiced his opinion in favor of the resolution. Mr. Knight said we do not do enough to educate our children. He urged the board not to play catch up all the time, let's look to the future. Mr. Knight said he would like to lead in something.

N.C. Local Government Debt Set-off

Mrs. Jones presented information to the board regarding the N.C. Local Government Debt Set-off Program. She explained this is a way for the Health Department to collect some of the bad debts that have accumulated, those debts over \$50.00. She explained the process and there is a \$15 fee

per customer to participate, but this cost would be passed onto the debtor. These debts would be passed onto the state and anyone owing a debt, this amount would be deducted from the person's tax refund check.

Chairman Maness commented that this would be good for the water department as well. He asked if this is a new program. County Manager Lee Matthews said it was started about 1 ½ years ago.

Mrs. Jones said the organization has software and training available.

Commissioner Morris asked if this will charge the folks of the county? Mrs. Jones said no it is added to the debtor.

Commissioner Corbett said most retailers are using this method.

Chairman Maness asked if this is used as a last resort? Mrs. Jones said we have to give 120 days then a letter would be sent. She explained they sent out letters saying this program was going to be presented to the Board of Commissioners and the Health Department has already received some of these payments. She explained some times just the threat brings in these debts.

Linda Beaulieu asked if this could be used for property taxes? Mr. Matthews said no because there are other methods for collecting passed due taxes such as garnishment.

The board agreed to carry this forward.

Smallpox Vaccination Plan

Mrs. Jones said the Health Department must implement the national smallpox vaccination plan. Phase I calls for a small number of public health nurses to be vaccinated. The vaccine does have risks. She proposed that a policy be adopted by the board to protect the nurses and the county in case of complications. She said the risks are not clear. There hasn't been a case of Smallpox in 30-40 years. Mrs. Jones said the employees who are considering this vaccine would like to know how the board feels.

County Manager Lee Matthews gave information from Blue Cross Blue Shield. BCBS will not cover the shot, but will cover medical cost. He said those counties with self-funded insurance plans, like Montgomery County; have to decide if insurance covers the vaccine and risks.

Chairman Maness asked Mr. Matthews how County Attorney Russ Hollers feels? Mr. Matthews said Attorney Hollers said he is concerned and feels a statement should be added to the policy that the county be held harmless from liability issues.

Commissioner Bostic said if someone takes the vaccine and death occurs the county needs to help the family.

Chairman Maness said we need to clarify the policy.

Mr. Matthews read paragraph three from Attorney Hollers' letter.

Chairman Maness asked what does that mean? Can they sue? Mr. Matthews said yes.

Commissioner Bostic said we need to do something.

Chairman Maness asked if the board needs to act now? Mrs. Jones said they are coming to give vaccinations in Stanly County next week.

The board directed Mr. Matthews to get with the County Attorney for the correct wording and put this on the next work session agenda for further discussion.

County Manager's Report

PTCOG Dues

Mr. Matthews said he needs permission to pay the balance of \$649 for dues to the PTCOG. This line item was cut due to the state withholding funds. The board agreed to carry this forward to the regular session.

Supplemental Health Insurance for Retirees

Mr. Matthews said there is an employee at the Health Department that is retiring in May. She has been a county employee for 31 years total. She has only been full-time for the last five years. Mr. Matthews said the personnel policy states continuous service for at least 12 years. It is unclear if this is full time only or if it includes part-time as well.

Chairman Maness said his opinion is that it should be full time.

Commissioner Morris said that is her understanding.

Commissioner Knight said it needs to be spelled out.

Mr. Matthews said we will need to do an amendment.

Commissioner Bostic said she has received benefits the last 5 years.

Commissioner Morris said the policy states the last 12 years. Commissioner Bostic said continuous work for the last 12 years, she should qualify.

Mr. Matthews said she has worked for 31 years.

Mrs. Jones said she has been a good employee.

Commissioner Corbett said we need to get with Attorney Hollers.

Chairman Maness said he didn't realized she had worked for 31 years.

Commissioner Bostic asked what was the reason for part-time employment all these years? Mrs. Brenda Caudill said full time wasn't available and when it was she went full-time.

The board agreed to place this on the next work session agenda.

Mileage Rate

Mr. Matthews requested the mileage reimbursement rate be changed from 34.5 cents to 36 cents. He also discussed amending the personnel policy to state the reimbursement will be whatever the IRS reimbursement rate is.

The board agreed to carry this forward to the regular session.

Meeting Date Change

Mr. Matthews said Commissioners Bostic and Knight will be attending the National Association of County Commissioners Meeting in Washington, D.C. The board agreed to change the meeting from March 4 to March 5 because Mr. Bostic and Mr. Knight will be arriving back on March 4.

Mr. Matthews said we will also need to look at a budget revision for costs.

Financial Report

Mr. Matthews gave the board a financial report and Chairman Maness said if anyone needs additional information or explanation to contact Mr. Matthews.

Announcements

Mr. Matthews said the final report for the CEDS will be at Montgomery Community College in Building 100 on February 20, 2003.

Items Carried Forward

The following items will be carried forward to the regular session:

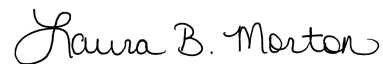
- Tobacco Resolution
- N.C. Debt Set-off
- PTCOG Dues
- Mileage Reimbursement and Amend the Personnel Policy

Chairman Maness announced there would be a closed session at the end of the regular session to discuss a personnel issue.

There being no further business, the meeting was adjourned.



William D. Maness, Chairman
Board



Laura B. Morton, Clerk to the